

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Workers' Compensation: Employer Directed Medical Treatment, Pre-designated Personal Physician, Notice to Employees, and Medical Provider Network	REFERENCE NUMBER: 2004-060
DATE ISSUED: November 2, 2004	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transactions Supervisors
Return-to-Work Coordinators
Health and Safety Officers**

FROM: Department of Personnel Administration
Benefits Division

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Employer Directed Medical Treatment

California Labor Code (LC) Section 4600 allows employers to direct an injured employee's medical treatment for the first 30 days following a work-related injury or illness. If treatment continues beyond 30 days, the employee may continue to treat with the employer-selected physician or medical provider, or elect to change his or her treating physician.

Departments do not have the right to control medical treatment if an employee elects to seek treatment with his or her pre-designated physician or chiropractor. The employee must have pre-designated the physician or chiropractor in writing prior to the date of injury or illness.

Failure by a department to post a notice to employees, as required by LC Section 3550, will automatically permit an employee to be treated by his or her physician of choice. To avoid losing medical control, a department's notice to employees must list the physician(s) or medical provider(s) they have selected to provide treatment to their industrially injured employees. The physician(s) or medical provider(s) must be within a reasonable distance from the physical location of each department's establishment.

To assist departments in providing prompt care to their industrial injured employees, State Compensation Insurance Fund (SCIF) has established the Kaiser Permanente Alliance and the Preferred Provider Network (PPN). You can locate a physician(s) or medical provider(s) within one of these networks by calling 1-888-222-3211 or through SCIF's MEDfinder program at www.scif.com/products/co-care/ppn.htm and clicking on MEDfinder.

If you need assistance in establishing an employer-selected physician or medical provider list, you can contact your local SCIF office.

Pre-designated Physician or Chiropractor

The criteria an employee must use in selecting a pre-designated physician or chiropractor was modified with the passage of Senate Bill (SB) 899 (see LC Section 4600(d)). Effective April 19, 2004, an employee can only pre-designate a personal physician or chiropractor if his or her employer offers a group health insurance plan. The employee's pre-designated physician or chiropractor must meet all of the following criteria:

- The physician is the employee's regular physician and surgeon, licensed pursuant to Chapter 5 of Division 2 of the Business and Professions Code;
- The physician is the employee's primary care physician, has previously directed the employee's medical treatment, and retains the employee's medical records; and
- The physician agrees to be pre-designated.

To remain consistent with SB 899, SCIF has revised the "New Employee's Guide to Workers' Compensation" pamphlet (renumbered from SCIF 13730 to SCIF 13545). It includes a brief description of workers' compensation benefits and a pre-designation form. The pre-designation form provides a space for the employee's selected physician to sign, which verifies that the physician agrees to be pre-designated.

LC Section 3551 requires departments to provide new employees with written notice of their right to workers' compensation benefits and a pre-designation form. The written notice and pre-designation form must be provided to a new employee upon hire or by the end of the first pay period and upon request by an existing employee. The SCIF 13545 fulfills this requirement. You can obtain the SCIF 13545 by contacting your local SCIF office or through SCIF's Web site at http://www.scif.com/newsc/services/new_ee_guide.htm.

Departments must post a notice to employees explaining the workers' compensation benefits to which an injured employee may be entitled in the event of a work-related injury, illness, or death (see LC Section 3550).

The notice must be completed and posted in a conspicuous place frequented by employees and where the notice may be easily read by employees during the workday. If a department does not post a completed notice then they lose the right to direct an injured employee's medical treatment and the injured employee will be permitted to seek treatment with his or her personal physician. In addition, failure to comply with posting requirements could result in penalties charged to the department.

SCIF has developed the "Notice to State Employees" poster (SCIF 13708-English or 13709-Spanish), which fulfills LC Section 3550 posting requirements. You can obtain this poster or through SCIF's Web site at <http://www.scif.com/pdf/biztools/13708.pdf> by contacting your local SCIF office.

Medical Provider Network

SB 899 added Article 2.3 to the LC commencing with Section 4616. Effective January 1, 2005, this new article allows an insurer or employer to establish a medical provider network to provide medical treatment to an industrially injured employee. If the employer or insurer establishes a network, the injured employee is limited to treating within the network for the life of the claim. However, an employee still retains the right to seek treatment with his or her pre-designated physician or chiropractor, in accordance with LC Section 4600.

SCIF has already established two networks of physicians to treat industrial injuries and illnesses. The two networks are the Kaiser Permanente Alliance and the Preferred Provider Network (PPN). In accordance with LC Section 4616(b), SCIF has submitted a plan to the administrative director of the Division of Workers' Compensation requesting approval of these networks for use as medical provider networks. You will be notified via a Personnel Management Liaison memorandum, once a determination has been made by the administrative director to approve or deny use of the Kaiser Permanente Alliance and the PPN as medical provider networks. If approved, State departments that use SCIF's services, either through the Master Agreement or through an insurance policy, should utilize these as medical provider networks when an employee requires medical treatment for a work-related injury or illness.

If you have any questions regarding this PML, please contact Shelby Wineinger, Workers' Compensation Program Trainer, at (916) 445-9760.

/s/[Debbie Endsley]

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